

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA : CRIMINAL NO. 21-

v. : DATE FILED: October 12, 2021

CONRAD BENEDETTO : VIOLATIONS:

**: 26 U.S.C. § 7206(1) (filing a false tax
return – 3 counts)
: 26 U.S.C. § 7203 (failure to file a tax
return – 3 counts)
: 26 U.S.C. § 7202 (failure to collect or pay
employment tax – 3 counts)**

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

At all times relevant to this indictment:

1. Defendant CONRAD BENEDETTO was an attorney who resided in Philadelphia and was licensed to practice in the Commonwealth of Pennsylvania and the State of New Jersey.
2. Defendant CONRAD BENEDETTO owned and operated a law practice in Philadelphia, Pennsylvania.
3. Defendant CONRAD BENEDETTO was the only signatory on the law firm bank accounts and was the only person who could authorize the payment of the employment taxes.
4. The Internal Revenue Service (“IRS”) was an agency within the United States Treasury Department. The IRS was responsible for, among other things, collecting income

and payroll taxes on wages earned by individuals.

5. The Internal Revenue Code (“Code”) required every individual who received gross income in excess of the exemption amount established by Congress to make and file a tax return which reported the income received by that individual. Examples of the types of gross income for which a return had to be made and filed included: (a) compensation for services, including fees, commissions, fringe benefits and similar items; and (b) gross income derived from a business enterprise.

6. As the sole owner and operator of his law practice, defendant CONRAD BENEDETTO had a duty to timely and accurately file and report all gross receipts earned and expenses incurred by the law practice on Schedule C of his personal tax returns (IRS Form 1040).

7. Defendant CONRAD BENEDETTO failed to truthfully report the law practice’s gross receipts on IRS Form 1040 for tax year 2013, by underreporting gross receipts in the approximate amount of \$225,800.40.

8. Defendant CONRAD BENEDETTO failed to truthfully report the law practice’s gross receipts on IRS Form 1040 for year tax 2014, by underreporting gross receipts in the approximate amount of \$51,881.95 and overstating expenses in the approximate amount of \$172,382.51.

9. Defendant CONRAD BENEDETTO failed to truthfully report the law practice’s gross receipts on IRS Form 1040 for tax year 2015, by underreporting gross receipts in the approximate amount of \$742,671.80 and understating expenses in the approximate amount of \$278,048.35.

10. Defendant CONRAD BENEDETTO's underreporting of gross receipts on IRS Form 1040 for each of the calendar years from 2013 through 2015, and overstating expenses in year 2014 resulted in a tax loss of approximately \$403,923.

11. On or about October 13, 2016, in the Eastern District of Pennsylvania, defendant

CONRAD BENEDETTO

willfully made and subscribed a United States tax return, Form 1040, for the calendar year 2013, which was verified by a written declaration that it was made under penalty of perjury and filed with the IRS, which return defendant CONRAD BENEDETTO did not believe to be true and correct as to every material matter, in that the return reported gross receipts of \$1,339,976, when in fact defendant BENEDETTO knew he had gross receipts totaling approximately \$1,565,776.

In violation of Title 26, United States Code, Section 7206(1).

COUNT TWO

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this indictment:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. On or about January 17, 2017, in the Eastern District of Pennsylvania,

defendant

CONRAD BENEDETTO,

willfully made and subscribed a United States tax return, Form 1040, for the calendar year 2014, which was verified by a written declaration that it was made under penalty of perjury and filed with the IRS, which return defendant CONRAD BENEDETTO did not believe to be true and correct as to every material matter, in that the return reported gross receipts of \$2,142,870 when in fact defendant BENEDETTO knew he had gross receipts totaling approximately \$2,194,752.

In violation of Title 26, United States Code, Section 7206(1).

COUNT THREE

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this indictment:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. On or about January 19, 2017, in the Eastern District of Pennsylvania, defendant

CONRAD BENEDETTO,

willfully made and subscribed a United States tax return, Form 1040, for the calendar year 2015, which was verified by a written declaration that it was made under penalty of perjury and filed with the IRS, which return defendant CONRAD BENEDETTO did not believe to be true and correct as to every material matter, in that the return reported gross receipts of \$2,510,706 when in fact defendant BENEDETTO knew he had gross receipts totaling approximately \$3,253,378.

In violation of Title 26, United States Code, Section 7206(1).

COUNTS FOUR THROUGH SIX

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this indictment:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. For each of tax years 2016, 2017 and 2018, defendant CONRAD

BENEDETTO earned legal fees of more than \$1,000,000. Between 2016 and 2018, inclusive, defendant BENEDETTO had over \$8,000,000 in gross receipts.

3. During the calendar years listed below, in the Eastern District of Pennsylvania, defendant

CONRAD BENEDETTO,

a resident of Philadelphia, Pennsylvania, made and received gross income substantially in excess of the minimum filing requirements. By reason of such gross income he was required by law, following the close of each calendar year and on or before the filing due date set forth below, to make an income tax return to the Internal Revenue Service Center, at Philadelphia, Pennsylvania, or other proper officer of the United States, stating specifically the items of his gross income and any deductions and credits to which he was entitled; that knowing this, he willfully failed to

make an income tax return to the Internal Revenue Service Center, or to any other proper officer of the United States.

COUNT	YEAR	FILING DUE DATE
4	2016	April 18, 2017
5	2017	April 17, 2018
6	2018	April 15, 2019

All in violation of Title 26, United States Code, Section 7203.

COUNT SEVEN

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this indictment:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. Defendant CONRAD BENEDETTO withheld taxes from his employees' paychecks, including federal income taxes, Medicare and social security taxes (often referred to as Federal Insurance Contribution Act or "FICA" taxes or as "payroll taxes").
3. Employers were required to make deposits of the payroll taxes to the IRS on a periodic basis, in this case, semi-weekly. Employers were required to file, following the end of each calendar quarter, an Employer's Quarterly Federal Income Tax Return (Form 941), setting forth the total amount of wages and other compensation subject to withholding, the total amount of income tax withheld, the total amount of social security and Medicare taxes due to the IRS.
4. Throughout the calendar year 2017, defendant CONRAD BENEDETTO withheld tax payments from his employees' paychecks. However, beginning in approximately April, 2017, defendant BENEDETTO made no payments to the Internal Revenue Service.
5. For the second, third and fourth quarters of 2017, defendant CONRAD BENEDETTO failed to file the Forms 941 with the IRS, and to pay over the taxes to the IRS.
6. For each of the second, third and fourth quarters of 2017, defendant CONRAD BENEDETTO failed to pay over to the IRS approximately \$18,986 in payroll taxes.

Thus, defendant BENEDETTO failed to timely report and pay over to the IRS a combined total of approximately \$56,904.

7. On or about July 31, 2017, in the Eastern District of Pennsylvania, defendant

CONRAD BENEDETTO,

a person required under Title 26 of the United States Code to collect, account for, and pay over taxes due and owing in regards to total taxable wages of his employees, willfully failed to truthfully account for and pay over to the IRS all of the federal income taxes and FICA taxes that should have been withheld and were due and owing to the United States of America for the quarter ending June 30, 2017.

In violation of Title 26, United States Code, Section 7202.

COUNT EIGHT

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this indictment:

1. Paragraphs 1 through 10 of Count One and paragraphs 1 through 6 of Count Seven are incorporated here.
2. On or about October 31, 2017, in the Eastern District of Pennsylvania, defendant

CONRAD BENEDETTO,

a person required under Title 26 of the United States Code to collect, account for, and pay over taxes due and owing in regards to total taxable wages of his employees, willfully failed to truthfully account for and pay over to the IRS all of the federal income taxes and FICA taxes that should have been withheld and were due and owing to the United States of America for the quarter ending September 30, 2017.

In violation of Title 26, United States Code, Section 7202.

COUNT NINE

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this indictment:

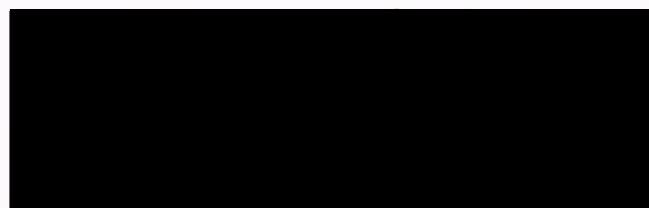
1. Paragraphs 1 through 10 of Count One and paragraphs 1 through 6 of Count Seven are incorporated here.
2. On or about January 31, 2018, in the Eastern District of Pennsylvania, defendant

CONRAD BENEDETTO,

a person required under Title 26 of the United States Code to collect, account for, and pay over taxes due and owing in regards to total taxable wages of his employees, willfully failed to truthfully account for and pay over to the IRS all of the federal income taxes and FICA taxes that should have been withheld and were due and owing to the United States of America for the quarter ending December 31, 2017.

In violation of Title 26, United States Code, Section 7202.

A TRUE BILL:



Ronald Sarah for

JENNIFER ARBITTER WILLIAMS
ACTING UNITED STATES ATTORNEY

No. -----

UNITED STATES DISTRICT COURT

Eastern District of Pennsylvania

Criminal Division

THE UNITED STATES OF AMERICA

vs.

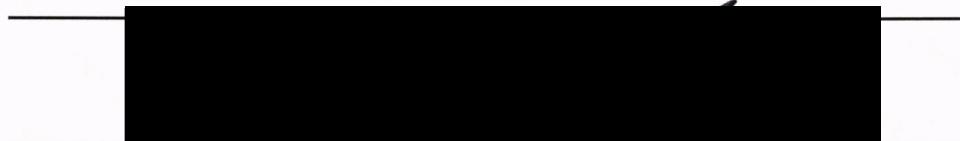
CONRAD BENEDETTO

INDICTMENT

26 U.S.C. § 7206(1) (filing a false tax return – 3 counts)

26 U.S.C. § 7203 (failure to file a tax returns – 3 counts)

26 U.S.C. § 7202 (failure to collect or pay employment tax – 3 counts)



Filed in open court this _____ day,
Of _____ A.D. 20_____

Clerk

Bail, \$_____